

VZCZCXYZ0013
PP RUEHWEB

DE RUEHSL #0269/01 1271443
ZNY CCCCC ZZH
P 071443Z MAY 07
FM AMEMBASSY BRATISLAVA
TO RUEHC/SECSTATE WASHDC PRIORITY 0907
INFO RUEHZG/NATO EU COLLECTIVE PRIORITY
RUEHKV/AMEMBASSY KYIV PRIORITY 0017
RUEHMO/AMEMBASSY MOSCOW PRIORITY 0639
RUEKJCS/SECDEF WASHDC PRIORITY
RHEHNSC/NSC WASHDC PRIORITY

C O N F I D E N T I A L BRATISLAVA 000269

SIPDIS

SIPDIS

E.O. 12958: DECL: 05/07/2017
TAGS: [PREL](#) [PGOV](#) [ECON](#) [ENRG](#) [SR](#) [SU](#) [RU](#) [YI](#) [LO](#)
SUBJECT: PM FICO IN MOSCOW ON KOSOVO, MD AND ENERGY

REF: BRATISLAVA 263

Classified By: Ambassador Vallee for reasons 1.4 (b) and (d)

11. (C) Summary/Introduction: PM Robert Fico's May 4 visit to Moscow touched on issues of the day including Kosovo final status, missile defense, energy security, and trade. Fico had meetings with President Vladimir Putin and Prime Minister Mikhail Fradkov and opened a Slovak-Russian business forum. While Fico's private conversations with Putin were coached by FM Jan Kubis and reportedly "on message," his public remarks gave the impression of general agreement, even appeasement, toward Russian positions. The press made great play of the fact that Putin received Fico at his residence, rather than in the Kremlin. Much of the independent media commentary described Fico's pro-Russian stance as "non-standard" for a NATO ally. Our MFA contacts, however, painted the visit as "normal," despite lapses in the PM's message to the media, and noted that since many of the business interests are in private hands, political discussions are symbolic. End summary.

Kosovo: 10 to 0 in favor of Albanians

12. (C) Initial press reports May 4 indicated that Fico agreed with Putin that it was necessary to make changes to the Ahtisaari plan for Kosovo. Using a football analogy, Fico said publicly that the current proposal gives an unacceptable (10 to 0) advantage to Kosovo. Putin repeated that Russia would never support a plan so inconvenient for Serbia in the UNSC, but stopped short of saying Moscow would veto a UNSCR. DCM immediately contacted MFA PolDir Miroslav Lajcak to ask for clarification, and Lajcak in turn called Kubis in Moscow. Kubis said that Fico's public remarks did not reflect what Fico said to Putin and others privately: that Slovakia will vote with the EU in support of the UNSCR on Kosovo. Kubis had intervened at every opportunity in the discussion to make clear for the record that the position on Kosovo is as it was -- with the EU at the UNSC. In an informal read-out May 7, MFA Director for CIS and the Balkans Stefan Rozkopal repeated that Fico had been clear in private: Slovakia will be with the EU in New York. Putin, Rozkopal said, told Fico he would "not exclude a veto."

Missile Defense: Never on Slovak Soil

13. (U) Press reports on missile defense were dramatic, quoting Putin's comment during the bilateral meeting that if U.S. anti-ballistic missile bases were built in the Czech Republic and Poland, Russia would aim its nuclear weapons against them. Former FM Eduard Kukan commented to media that it was extraordinary for an official visitor to transmit such a message from his host. Fico told journalists that as a

result of that threat, "this issue concerns us much more than anybody thought before." Fico said he understands Russia's concerns, and that he believes the main problem is insufficient communication between Washington and Moscow. Fico assured Putin that he would never allow U.S. radar or anti-missile systems to be installed on Slovak territory. Kubis told journalists that Fico was stating his personal view, not that of the government. This prompted "astonishment" among some commentators that Slovakia is the first country whose foreign minister declared, in the presence of his own boss, that the boss's views are simply his own and not representative of the government.

¶4. (C) Comment: Kubis asked Lajcak to tell us that in every discussion with Putin and others, Fico said the Slovak position would reflect the fact that Slovakia is (on missile defense) a member of NATO and (on Kosovo) a member of the EU. The actual talks were "much better" than what Fico said publicly, though Kubis realized the public impression was not a good one. Both Fico (reftel) and Lajcak had told us previously that the tactic on the issue of missile defense would be to let Fico express his "personal views" but have the MFA tow the line of a good NATO ally. Both Milan Jesovica (Dzurinda's foreign policy advisor) and Pal Csaky, head of the Hungarian SMK, suggested that they would attack this inconsistency, perhaps even through parliamentary censure, under the theme that Fico had become Putin's poodle.. End Comment.

¶5. (U) Fico and Putin discussed the Russian threat to back out of the Conventional Armed Forces in Europe (CFE) Treaty. Russia requested that new NATO members join the CFE. Fico believes Slovakia is too small a player, and that these issues must be clarified by Washington and Moscow.
Energy: Closer cooperation on Nuclear and Oil

¶6. (SBU) Fico and Putin agreed to boost cooperation in the energy sector, though no specific announcements were made. Fico invited Russian involvement in the completion of the 3rd and 4th reactors (reactors 1 and 2 are of Russian design) at the Mochovce power plant, which is owned by Italian Energy company Enel, and also to participate in a tender for a proposed new reactor project being developed by the government at the Bohunice plant. On the question of the ongoing gas negotiations between the Slovak Gas Industry (SPP) and Gazprom, Fico noted that the arrangement would be based on EU market prices. (Note: The government is not in a position to negotiate on behalf of Enel or SPP on either gas or nuclear contracts. End Note)

¶7. (C) On Transpetrol, Fico shifted his public stance that a GOS buy back of the Transpetrol shares from Yukos is the preferred option, noting that having a Russian company acquire these shares would be "quite normal." He likewise stepped back from the original conditions that included Slovak management control of Transpetrol and allowing for the transit of Caspian crude, instead stressing that the two most important concerns were increasing the throughput on the pipeline and connecting it to the Schwechat refinery in Austria. Both governments acknowledged that the sale was complicated by issues of international law, but Russian Prime Minister Fradkov noted that the two governments have a "coordinated action plan and will resolve the problem for mutual benefit." Contacts at the Ministry of Economy told Econ FSN that Fico and Putin reached a deal on Transpetrol whereby the GOS will buy back the 49 percent stake from Yukos and then re-sell the shares to Gazpromneft. In exchange Russia will increase the flow of oil on the pipeline. Details of the arrangement will follow Septel after we meet with Economy Minister Jahnatek, who has the lead on these issues.

Trade: New rail lines to Bratislava

¶8. (SBU) The key deliverable from the one-day visit was a Memorandum of Understanding signed by the two prime ministers

to extend the broad-gauge railway from Kosice in eastern Slovakia to the port in Bratislava, which be developed as a major logistics center for goods coming from the east. Local media criticized the government for dusting off an old plan proposed by former PM Meciar in the early 1990's. An MFA contact noted that any deal is complicated by the fact that the port is now in private hands.

VALLEE